

# RAILROAD COMMISSION OF TEXAS

Christi Craddick, *Chairman*  
David Porter, *Commissioner*  
Ryan Sitton, *Commissioner*

**INTERNAL**  
Lori Wrotenbery,  
Director, Oil and Gas Division

## MEMORANDUM

February 27, 2015

TO: **Chairman Christi Craddick**  
**Commissioner David Porter**  
**Commissioner Ryan Sitton**

FROM: **Peter G. Pope, Assistant Director**  
**Site Remediation**

SUBJECT: **Site Remediation's Summary Report**  
**January 2015**

**The monthly report concerning the State-managed pollution site cleanup activities is attached. This report contains the following:**

- 1. A summary of all attachments (Attachment A)**
- 2. In January 2015, a total of eight activities were completed at a total cost of \$74,218.02. (Attachment B)**
- 3. Of the activities completed in January 2015, one activity exceeded the original award or work order amount by greater than 10%. (Attachments C, D, & E)**
- 4. Of the activities completed in January 2015, four were routine cleanup activities, three were emergency cleanup activities, and one was an assessment activity. (Attachment F)**
- 5. In January 2015, a total of ten activities were authorized for bid solicitation and codes for a total estimated cost of \$85,955.10. (Attachment G)**

  
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Peter G. Pope

PGP/dc  
Attachments

## ATTACHMENT A

### Monthly State-Managed Pollution Site Cleanup Activities for January 2015 and FY 2015 to date

#### Completed Cleanup Activities (See Attachments B, C, D, E, F, and H)

1.	Number of Cleanup Activities Completed in Jan 2015	8
	Total Cost of Cleanup Activities Completed in Jan 2015	\$ 74,218.02
	Number of Activities with Post-Close* Invoices Approved in Jan 2015	0
	Total Amount of Post-Close Invoices Approved in Jan 2015	\$ 0.00
	Total Number of Cleanup Activities where the Final Cost exceeded the Award or Work Order Amount by > 10% in Jan 2015	1
2.	Number of Cleanup Activities Completed in FY 2015	38
	Total Cost of Cleanup Activities Completed in FY 2015	\$ 1,351,095.27
	Number of Activities with Post-Close Invoices Approved in FY 2015	0
	Total Amount of Post-Close Invoices Approved in FY 2015	\$ 0.00
	Total Number of Cleanup Activities where the Final Cost exceeded the Award or Work Order Amount by > 10% in FY 2015	5
3.	Grand Total (Completed Activities plus Post-Close Invoices) for Jan 2015	\$ 74,218.02
	Grand Total (Completed Activities plus Post-Close Invoices) for FY 2015	\$ 1,351,095.27

#### New Cleanup Activities (See Attachment G)

1.	Number of Cleanup Activities Authorized for Bid Solicitation and Codes Issued in Jan 2015	10
	Estimated Cost of Cleanup Activities Authorized in Jan 2015	\$ 85,955.10
2.	Number of Cleanup Activities Authorized for Bid Solicitation and Codes Issued in FY 2015	101
	Estimated Cost of Cleanup Activities Authorized in FY 2015	\$ 1,493,764.45

#### Cleanup Activities Approved But Not Completed

1.	Total Number of Remaining Cleanup Activities as of the last day of Jan 2015	85
	Total Estimated Cost of Remaining Cleanup Activities	\$ 1,970,366.70

#### Cleanup Activities Canceled Without Cost to State

1.	Number of Authorized Cleanup Activities Canceled in Jan 2015	1
	Total Number of Authorized Cleanup Activities Canceled in FY 2015	4

\*Reflects invoice amounts approved AFTER a Cleanup Activity is formally closed (from a prior reporting month).

ATTACHMENT B

SUMMARY OF CLEANUP ACTIVITIES COMPLETED

January 1, 2015 to January 31, 2015

DISTRICT	THIS MONTH		YEAR TO DATE	
	ACTIVITIES COMPLETED	TOTAL OF INVOICES	ACTIVITIES COMPLETED	TOTAL OF INVOICES
01	0	\$ 0.00	4	\$ 5,090.00
02	0	\$ 0.00	1	\$ 24,334.44
03	2	\$ 14,604.12	8	\$ 52,473.35
04	0	\$ 0.00	3	\$ 5,509.50
05	0	\$ 0.00	1	\$ 230,500.00
06	2	\$ 41,899.90	6	\$ 58,417.30
6E	0	\$ 0.00	2	\$ 795,853.64
7B	2	\$ 13,810.00	5	\$ 38,089.09
7C	0	\$ 0.00	2	\$ 10,563.00
08	0	\$ 0.00	0	\$ 0.00
8A	0	\$ 0.00	0	\$ 0.00
09	2	\$ 3,904.00	6	\$ 130,264.95
10	0	\$ 0.00	0	\$ 0.00
TOTALS	8	\$ 74,218.02	38	\$ 1,351,095.27
GRAND TOTALS*		\$ 74,218.02		\$ 1,351,095.27

\*Grand Total line includes all Post-Close Invoice amounts.

ATTACHMENT C

SUMMARY OF COST OVERRUNS FOR COMPLETED CLEANUP ACTIVITIES

January 1, 2015 to January 31, 2015

	THIS MONTH	YEAR TO DATE
DISTRICT	Final Cost Exceeded the Contract Amount by more than 10 percent	Final Cost Exceeded the Contract Amount by more than 10 percent
01	0	0
02	0	1
03	1	3
04	0	0
05	0	0
06	0	0
6E	0	1
7B	0	0
7C	0	0
08	0	0
8A	0	0
09	0	0
10	0	0
TOTALS	1	5

ATTACHMENT D

LIST OF COST OVERRUNS > 10% OF ORIGINAL AWARD AMOUNT  
(Single Cleanup per Requisition or Bundled Bid)

January 1, 2015 to January 31, 2015

DIST. NO.	REQ. NUMBER	CLEANUP ID	ORIGINAL AWARD	APPROVED INVOICES	PERCENT
Total number of cleanup activities where the final cost exceeded the original award amount by greater than 10 percent.					0

LIST OF COST OVERRUNS > 10% OF ORIGINAL CONTRACT AMOUNT  
(Multiple Cleanup per Requisition - Work Order or Prof. Services Bid)

January 1, 2015 to January 31, 2015

DIST NO.	REQ. NUMBER	CLEANUP ID	BID TYPE	ORIGINAL CONTRACT	APPROVED INVOICES	PERCENT
03	455-10-1046	03-226417	Work Order	\$ 10,504.75	\$ 11,678.62	11.17%
Total number of Cleanup activities (Work Orders, etc...) where the final cost exceeded the original contract amount by greater than 10 percent.						1

## ATTACHMENT E

### Cost Overruns Greater than 10%

03-226417: JMC RES. CORP. (427742): WEBER, PAUL (19651): Harris County

Original Contract Amount - \$10,504.75, Final Cost - \$11,678.62, Increase of 11.17%

THIS JOB WAS LET TO ENSOURCE CORPORATION ON 11/6/2014. CREW WAS RAINED OUT AND REQUIRED AN ADDITIONAL MOB-DEMOB AND TIME AND EQUIPMENT TO COMPLETE THE JOB. TOTAL EXPENDITURES WERE \$11,678.62.

ATTACHMENT F

SUMMARY OF CLEANUP ACTIVITIES COMPLETED BY ACTIVITY TYPE

January 1, 2015 to January 31, 2015

TYPE OF ACTIVITY	THIS MONTH		YEAR TO DATE	
	ACTIVITIES COMPLETED	TOTAL OF INVOICES	ACTIVITIES COMPLETED	TOTAL OF INVOICES
Cleanup	5	\$ 31,606.12	21	\$ 992,438.21
Emergency	2	\$ 41,493.15	4	\$ 235,733.41
Assessment	1	\$ 1,118.75	13	\$ 122,923.65
Partial	0	\$ 0.00	0	\$ 0.00
Miscellaneous	0	\$ 0.00	0	\$ 0.00
Abatement	0	\$ 0.00	0	\$ 0.00
TOTALS	8	\$ 74,218.02	38	\$ 1,351,095.27
GRAND TOTALS*		\$ 74,218.02		\$ 1,351,095.27

\*Grand Total line includes all Post-Close Invoice amounts.

ATTACHMENT G

SUMMARY OF CLEANUP ACTIVITIES APPROVED/CODES ISSUED

January 1, 2015 to January 31, 2015

DISTRICT	THIS MONTH		YEAR TO DATE	
	ACTIVITIES APPROVED	ORIGINAL COST ESTIMATE	ACTIVITIES APPROVED	ORIGINAL COST ESTIMATE
01	0	\$ 0.00	24	\$ 344,900.00
02	0	\$ 0.00	1	\$ 5,000.00
03	1	\$ 21,755.10	7	\$ 73,655.10
04	1	\$ 7,000.00	6	\$ 57,180.80
05	0	\$ 0.00	4	\$ 32,700.00
06	1	\$ 10,000.00	14	\$ 147,250.00
6E	1	\$ 15,000.00	3	\$ 19,000.00
7B	3	\$ 23,000.00	11	\$ 62,500.00
7C	1	\$ 200.00	9	\$ 251,503.15
08	0	\$ 0.00	2	\$ 20,000.00
8A	0	\$ 0.00	5	\$ 52,000.00
09	1	\$ 5,000.00	13	\$ 420,475.40
10	1	\$ 4,000.00	2	\$ 7,600.00
TOTALS	10	\$ 85,955.10	101	\$ 1,493,764.45

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CLEANUP ACTIVITIES APPROVED BUT NOT COMPLETED AS OF January 31, 2015

Remaining Authorized Cleanup Activity Count:	85
Total Estimated Cost of Remaining Cleanup Activities:	\$ 1,970,366.70



ATTACHMENT H

ACTIVITIES WITH POST-CLOSE INVOICES APPROVED

January 1, 2015 to January 31, 2015

<u>Dist</u>	<u>Cleanup ID</u>	<u>Operator Name Lease Name</u>	<u>County Lse/Gas ID</u>	<u>Site Rank</u>	<u>Date Approved</u>	<u>Total of Invoices</u>
					<u>Activities Adjusted</u>	<u>Total of Invoices</u>
Total (all Districts)					0	\$ 0.00

# CLEANUP ACTIVITIES CANCELED WITH NO COST TO STATE

January 1, 2015 to January 31, 2015

<u>Dist</u>	<u>Cleanup ID</u>	<u>Operator Name Lease Name</u>	<u>County Lse/Gas ID</u>	<u>Site Rank</u>	<u>Number Canceled</u>	<u>RRC Estimate</u>
09	225883	MAYO, EDDIE ALLAR	YOUNG 26306	CU-A	1	\$ 5,000.00
Total (all Districts)					1	\$ 5,000.00

SUMMARY OF COMPLETED CLEANUP ACTIVITIES  
January 1, 2015 to January 31, 2015

					<u>Activity Count</u>	<u>RRC Estimate</u>	<u>Total of Invoices</u>	<u>Remaining</u>
District 03 Totals					2	\$ 18,000.00	\$ 14,604.12	\$ 3,395.88
<u>Dist</u>	<u>Cleanup ID</u>	<u>Operator Name Lease Name</u>	<u>Site Rank</u>	<u>County</u>		<u>RRC Estimate</u>	<u>Total of Invoices</u>	<u>Remaining</u>
03	226356	JMC RESOURCES CORP. WEBER, PAUL	EC-A	HARRIS	Activity Total	\$ 5,000.00	\$ 2,925.50	\$ 2,074.50
03	226417	JMC RESOURCES CORP. WEBER, PAUL	CU-A	HARRIS	Activity Total	\$ 13,000.00	\$ 11,678.62	\$ 1,321.38

# SUMMARY OF COMPLETED CLEANUP ACTIVITIES

January 1, 2015 to January 31, 2015

	Activity Count	RRC Estimate	Total of Invoices	Remaining
District 06 Totals	2	\$ 44,000.00	\$ 41,899.90	\$ 2,100.10

Dist	Cleanup ID	Operator Name Lease Name	Site Rank	County	RRC Estimate	Total of Invoices	Remaining
06	226880	FORTUNE OPERATING COMPANY JOAQUIN -B-	EC-A	SHELBY Activity Total	\$ 40,000.00	\$ 38,567.65	\$ 1,432.35
06	226882	FORTUNE OPERATING COMPANY JOAQUIN	CU-A	SHELBY Activity Total	\$ 4,000.00	\$ 3,332.25	\$ 667.75

**SUMMARY OF COMPLETED CLEANUP ACTIVITIES**  
January 1, 2015 to January 31, 2015

					<u>Activity Count</u>	<u>RRC Estimate</u>	<u>Total of Invoices</u>	<u>Remaining</u>
District 7B Totals					2	\$ 22,500.00	\$ 13,810.00	\$ 8,690.00
<u>Dist</u>	<u>Cleanup ID</u>	<u>Operator Name Lease Name</u>	<u>Site Rank</u>	<u>County</u>		<u>RRC Estimate</u>	<u>Total of Invoices</u>	<u>Remaining</u>
7B	226300	FRONTIER OPERATING CORPORATION DAVIS, G. R.	CU-B	SHACKELFORD	Activity Total	\$ 6,500.00	\$ 5,501.25	\$ 998.75
7B	227458	QUANTUM INVESTMENTS PATTERSON, J. D.	CU-B	STONEWALL	Activity Total	\$ 16,000.00	\$ 8,308.75	\$ 7,691.25

SUMMARY OF COMPLETED CLEANUP ACTIVITIES  
January 1, 2015 to January 31, 2015

					<u>Activity Count</u>	<u>RRC Estimate</u>	<u>Total of Invoices</u>	<u>Remaining</u>
District 09 Totals					2	\$ 8,500.00	\$ 3,904.00	\$ 4,596.00
<u>Dist</u>	<u>Cleanup ID</u>	<u>Operator Name Lease Name</u>	<u>Site Rank</u>	<u>County</u>		<u>RRC Estimate</u>	<u>Total of Invoices</u>	<u>Remaining</u>
09	225985	HARDROCK OPERATING COMPANY, INC. VIOLA	CU-B	YOUNG	Activity Total	\$ 3,500.00	\$ 2,785.25	\$ 714.75
09	226336	HAYNES BROS. TANK TRUCKS HAYNES, C. B.	AS-A	WILBARGER	Activity Total	\$ 5,000.00	\$ 1,118.75	\$ 3,881.25
					<u>Activity Count</u>	<u>RRC Estimate</u>	<u>Total of Invoices</u>	<u>Remaining</u>
Grand Totals (all Districts)					8	\$ 93,000.00	\$ 74,218.02	\$ 18,781.98

# SUMMARY OF APPROVED/AUTHORIZED CLEANUP ACTIVITIES

January 1, 2015 to January 31, 2015

					<u>Number Approved</u>	<u>RRC Estimate</u>
District 03 Totals					1	\$ 21,755.10
<u>Dist</u>	<u>Cleanup ID</u>	<u>Operator Name Lease Name</u>	<u>County Lse/Gas ID</u>	<u>Site Rank</u>	<u>Number Approved</u>	<u>RRC Estimate</u>
03	227438	VERGO PATIO GARDENS INC. A.E. LONGRON JR. PROPERTY	NEWTON LF-0032	AS-A	1	\$ 21,755.10

# SUMMARY OF APPROVED/AUTHORIZED CLEANUP ACTIVITIES

January 1, 2015 to January 31, 2015

					<u>Number Approved</u>	<u>RRC Estimate</u>
District 04 Totals					1	\$ 7,000.00
<u>Dist</u>	<u>Cleanup ID</u>	<u>Operator Name Lease Name</u>	<u>County Lse/Gas ID</u>	<u>Site Rank</u>	<u>Number Approved</u>	<u>RRC Estimate</u>
04	227696	MITCHELL, M. J. NUECES COUNTY UPPER OSO WATER QUALITY IMPROVEMENT	NUECES <NA>	AS-A	<u>1</u>	<u>\$ 7,000.00</u>



# SUMMARY OF APPROVED/AUTHORIZED CLEANUP ACTIVITIES

January 1, 2015 to January 31, 2015

					<u>Number Approved</u>	<u>RRC Estimate</u>
District 06 Totals					1	\$ 10,000.00
<u>Dist</u>	<u>Cleanup ID</u>	<u>Operator Name Lease Name</u>	<u>County Lse/Gas ID</u>	<u>Site Rank</u>	<u>Number Approved</u>	<u>RRC Estimate</u>
06	227579	UNKNOWN TRAVIS GLOVER PROP.	CHEROKEE NA	EC-A	1	\$ 10,000.00

# SUMMARY OF APPROVED/AUTHORIZED CLEANUP ACTIVITIES

January 1, 2015 to January 31, 2015

					<u>Number Approved</u>	<u>RRC Estimate</u>
District 6E Totals					1	\$ 15,000.00
<u>Dist</u>	<u>Cleanup ID</u>	<u>Operator Name Lease Name</u>	<u>County Lse/Gas ID</u>	<u>Site Rank</u>	<u>Number Approved</u>	<u>RRC Estimate</u>
6E	227679	INLAND PRODUCTS, INC. KILGORE RECLAMATION PLANT	RUSK 06-1971	EC-U	1	\$ 15,000.00

# SUMMARY OF APPROVED/AUTHORIZED CLEANUP ACTIVITIES

January 1, 2015 to January 31, 2015

					<u>Number Approved</u>	<u>RRC Estimate</u>
District 7B Totals					3	\$ 23,000.00
<u>Dist</u>	<u>Cleanup ID</u>	<u>Operator Name Lease Name</u>	<u>County Lse/Gas ID</u>	<u>Site Rank</u>	<u>Number Approved</u>	<u>RRC Estimate</u>
7B	227458	QUANTUM INVESTMENTS PATTERSON, J. D.	STONEWALL 04226	CU-B	<u>1</u>	<u>\$ 16,000.00</u>
7B	226139	PUTNAM OIL PRODUCTION HOWELL	CALLAHAN 18882	AS-B	<u>1</u>	<u>\$ 4,000.00</u>
7B	227459	FRONTIER OPERATING CORPORATION DICKEY	CALLAHAN 29072	CU-B	<u>1</u>	<u>\$ 3,000.00</u>

# SUMMARY OF APPROVED/AUTHORIZED CLEANUP ACTIVITIES

January 1, 2015 to January 31, 2015

					<u>Number Approved</u>	<u>RRC Estimate</u>
District 7C Totals					1	\$ 200.00
<u>Dist</u>	<u>Cleanup ID</u>	<u>Operator Name Lease Name</u>	<u>County Lse/Gas ID</u>	<u>Site Rank</u>	<u>Number Approved</u>	<u>RRC Estimate</u>
7C	227497	UNIDENTIFIED WILLHELM LANE SPILL	MENARD <NA>	AS-A	1	\$ 200.00

# SUMMARY OF APPROVED/AUTHORIZED CLEANUP ACTIVITIES

January 1, 2015 to January 31, 2015

					<u>Number Approved</u>	<u>RRC Estimate</u>
District 09 Totals					1	\$ 5,000.00
<u>Dist</u>	<u>Cleanup ID</u>	<u>Operator Name Lease Name</u>	<u>County Lse/Gas ID</u>	<u>Site Rank</u>	<u>Number Approved</u>	<u>RRC Estimate</u>
09	227616	UNIDENTIFIED BOYS & GIRLS CLUB OF SHERMAN PROPERTY	GRAYSON <NA>	EC-A	1	\$ 5,000.00

# SUMMARY OF APPROVED/AUTHORIZED CLEANUP ACTIVITIES

January 1, 2015 to January 31, 2015

					<u>Number Approved</u>	<u>RRC Estimate</u>
District 10 Totals					1	\$ 4,000.00
<u>Dist</u>	<u>Cleanup ID</u>	<u>Operator Name Lease Name</u>	<u>County Lse/Gas ID</u>	<u>Site Rank</u>	<u>Number Approved</u>	<u>RRC Estimate</u>
10	227217	C & C OIL PRODUCERS HILL	HUTCHINSON 01257	CU-U	1	\$ 4,000.00
Grand Total (all Districts)					10	\$ 85,955.10